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## THE TRANSCENDENTAL FORCE OF MONEY. SOCIAL SYNTHESIS IN MARX

ECONOFICTION, LEXICON CAPITAL, MARX, MARXISM, MONEY

### Abstract

Instead of defining money as a means or tool for social communication and exchange, Marx determines money as the really existing universal and as existing form of an abstract social mode of domination. His conception is the consequence of transforming Kant's concept of "thinghood" into a social and material concept, which most scholarship overlooks. As such, it confronts us with the problem of how we should think of really abstract social relationships and a form of social reproduction that is itself abstract because social reproduction depends upon the money form. In this paper I first analyze Marx's early concept of money as the thing itself, after which I reconstruct how this aspect is finally turned into a social concept in the Grundrisse. Key Words Marx, money, abstraction, Kant, Grundrisse

### Introduction

As early as 1844, in his comments on James Mill, Marx writes the following about money: The complete domination of the estranged thing over man has become evident in money, which is completely indifferent both to the nature of the material, i.e., to the specific nature of the private property, and to the personality of the property owner. What was the domination of person over person is now the general domination of the thing [der Sache] over the person, of the product over the producer. Just as the concept of the equivalent, the value, already implied the alienation of private property, so money is the sensuous, even objective existence of this alienation. (Marx/Engels 1956-1990/40, 455) These remarks on money are remarkable for several reasons, even if we find Marx still operating here within an anthropological framework that has not yet grasped the specific social form that money takes on in capitalism. In addition to an early formulation of the concept of reification, which points forward to Georg Lukács's and Theodor W. Adorno's appropriation of Marx's philosophy, we should point out that in this remark Marx is very much interested in money as a specific mode through which social individuals are establishing their mode of sociality. Although Marx determines in this text money as a medium, he does not have a functional definition in mind, as we find it in many modern conceptions of money; rather, instead of defining money as a means or tool for social communication and exchange, Marx's take on money goes much deeper here, insofar as he indicates two aspects of money: [1] money is the really existing, i.e., sensuous actualization of something not directly visible (i.e., value), the relation of which Marx determines

‘as alienation; and [2] money is the really existing form of a social mode of domination, namely, the domination of something that is itself abstract. Marx’s two formulations “completely indifferent” [vollständige Gleichgültigkeit] and his usage of “the” thing [“der” Sache] refers to both [a] something universal as well as [b] one, namely, “the” thing, which is the philosophical conception of a universal. Accordingly, money is introduced here as a combination of [a] and [b]. These two aspects are indeed astonishing, since in this combination we can see how an analysis of money not only implies philosophical conceptions, such as the problem of how we can think of and determine a really existing universal, but also social problems, such as the problem of how we can think of and determine really abstract social relationships and a form of social reproduction that is itself abstract and structures modes of domination through thinglike and reified formations.

Though the concept and phenomenon of money have many more aspects, for the purpose of this paper I retreat from dealing with these other aspects and focus on the connection between an idea that Marx puts forward in his early philosophy and in the *Grundrisse*, as we find in the *Grundrisse* a more transparent formulation of what money is than in *Capital*. My remarks are fitting neatly to the German debate about Marx’s theory of value as a monetary theory of value. In addition to authors, such as Backhaus (1997) and Reichelt (2008), I focus more on the social side of Marx’s concept of money (following Heinrich 2005), as it seems to me that this side – which is important for a critical theory of society – sometimes gets lost in discussions of money that are reduced to economic considerations (though for Marx economics in the narrow sense is part of a larger theory of social reality). For, as Heinrich points out, Marx’s theory of value is not about the relation between labor and value; rather, it intends to explain and analyze the “specific social character of commodity-producing labor” (Heinrich 2005, my trans.). Similarly, though I at least partly agree with Chris Arthur on his strong Hegelian reading of the relationship between value and money (Arthur 2005), I think that his interpretation is in danger of losing its impact for a critical social theory, within which money can be analyzed as the hinge between “invisible” forces such as capital and value, and the critical analysis of these forces as really existing social relations. Put differently, not only do we need to argue that money is the necessary existence of value (which Arthur’s work perfectly demonstrates), but we also need to analyze the consequences of this understanding for a theory of social synthesis as a theory of social unification (as outlined in the introduction to the *Grundrisse*), the concept of community, and really abstract forms of social organization and “abstract culture” (Toscano 2008). The latter would also allow us to push recent forms of Critical Theory (e.g., Habermas, Honneth) back to Marx, as these authors have given up the idea to integrate their theories of society in a social ontology. What is truly remarkable is that Marx’s analysis of money neatly shows how epistemological concepts that he took over from Kant and Hegel turn into social concepts in his hands and allow us to develop a materialistic concept of society as a substitute for subjective and constructive conceptions. As such, Marx’s theory can be confronted in yet another context with contemporary discussions about the ontological status of the social, all of which should avoid reductions of his theory of money to economic considerations proper (for example Freeman 2001). In the following, accordingly, I would like to point out a few aspects of the philosophical inheritance in Marx’s considerations after which I discuss their turn into a materialist social theory. My considerations are developed in two steps, following Marx’s own theory development: I first analyze Marx’s early concept of money [a] as the thing itself and social synthesis (1844 and 1845), after which I reconstruct [b] how these two aspects are turned into a social concept. What is at stake in my understanding of money in Marx not only is a revised picture of social reality that gets lost in recent Critical Theory, but also the re-injection of a philosophical horizon into these debate that points to the missing link in empirical, economic, cultural, and sociological treatments of money. The larger issue, then, is whether we can understand money as a major factor in the constitution of social reality instead of understanding it simply as a function or a medium in an already constituted social reality. Money as the Thing-in-itself (1844) In his considerations on money in the *Economic and Philosophical Manuscripts* Marx writes the following:

By possessing the property of buying everything, by possessing the property of appropriating all objects, money is thus the object [der Gegenstand] in the eminent sense. The universality of its property is the omnipotence of its essence [Wesen]. It is therefore regarded as an omnipotent being [Wesen]. (Marx/Engels 1956-1990/40, 563; trans. altered)

Three aspects are important in this quote: [1] Marx defines money here as the object; [2] it becomes a force in the metaphysical sense of the term, namely as something that potentially determines all entities [alle Gegenstände]; and [3] it becomes the universal mediator of social life. That which determines all things is, understood philosophically, its thinghood. How is this related to the question of how epistemological concepts turn into social concepts? With the explicit phrase “the thing [i.e. objecthood, C.L.] in the eminent sense” Marx refers to a Kantian and Hegelian background. In brief, for Kant the conditions of the possibility for representing reality are given through a rational structure that determines every experience and makes it possible for us to have a representation at all. The most abstract structure is that of an object as such. Before we can have any experience at all, our reason projects in advance, so to speak, a “super-concept” of reality, which is the concept of object or objecthood. The famous categories that Kant determines as the pure part of reason constitute this objecthood and thereby enable humans to refer to something in the world and to encounter specific objects, such as this car or that tree. It is clear that objecthood must be universal in nature and, as such, it is not identical with empirically encountered things in our world; rather, it is what makes any representation of empirical objects possible. If we now go back to Marx, we not only see the roots of his concept of categories, but we also see that Marx thinks about money in a very similar fashion. Though in the end his thoughts on money are influenced by how Hegel defines the thing in chapter three of his *Phenomenology of Spirit*, we can see that Marx thinks of money as something that is, so to speak, the social replacement of the epistemologically defined object, i.e., of objecthood. Although money remains “hidden” behind a veil of empirical experiences and the natural appearance of things, such as their natural properties, it

nonetheless defines objects as what they are, and it establishes itself, thereby, as an almost metaphysical force behind everything, potentially determining all possible social relations and, as Marx indicates in the above quote, all entities. One could argue that money is exclusively related to commodities and not to all things, but this position should be rejected, as such a position operates with an incorrect concept of commodity. According to Marx, whom I follow in this regard, commodities are not simply empirically existing objects; rather, they are determined by their form. What interests Marx is the form of commodities, not their individual existence.

As this form is, once we understand it as money and capital (processing money), universal, it can potentially determine every being. As this does not seem to be plausible at first glance, let us therefore consider an example: when we go into a supermarket we can see, at least if we are in the Western world, a range of products. An average supermarket in a Western country holds around 40,000 different items. In their empirical appearance, these products all seem to be different, given that their natural properties differ. Some are bigger, some are smaller, but they all fight for our attention through a host of other properties, such as color, shape, packaging, and symbols. Now, what is it that makes those objects all identical and defines them as objects in this space? First of all, it is a fact that all these products can be bought with money or, put differently, that they can be exchanged with money. So, money is in this case, really the object that we encounter when we go to the supermarket, since all these objects here receive their existence only through the universal condition of their possibility, which, in this case, is money. It is, then, also clear that it determines all social relationships contained in the universality of this "super-object" called money. For example, all commodities found in the supermarket are only there because they contain a myriad of relations that are governed through production and other exchanges. The materials come from some place on earth, the designs come from product design companies, the ingredients had to be chemically tested and perhaps found through research in the biosciences. In addition, someone had to produce all assembled products and put everything together and transport everything from one place to another. Finally, then, money defines every step we take, and every step we can take in the supermarket; indeed, we can only leave the building with objects if we pay. The sole reason for the actual "encounter" of individuals in this place is money. The concrete social relationships established in this place are absolutely inessential to the individuals moving around in this space and are abstractly defined by something else that remains hidden behind every one of those concrete relationships. Even the exchanges at the checkout counter are determined, i.e., made possible, by money. Accordingly, the only "tie" between the individuals in this store is money, insofar as it establishes their relationship as buyers, their needs, and who they are. Subjectively, we might think that it was our intention or our will to go to the store, to buy something for our needs, and to chat with the nice person at the checkout; but this is an illusion. The real reason for everything that happens and the real reason that this practice is even possible is money (money is taken here as the short version of what Marx later calls processing money, i.e., capital). It is precisely the latter that Marx has in mind when he speaks as the mediator of everything. It should be clear that we need to think more about money as a force in reality, i.e., as something that frames everything in a hidden and unconscious way rather than of thinking that money functions to express value or a means for exchange and communication. Put bluntly, we see the objects in the supermarket because the money form of the objects is the hidden objecthood that renders possible our references to them, including our actions, behavior, and attitudes. In short, a thing in a capitalist world is something that appears already in a certain social form before we can refer to it in any abstract cognitive or epistemological fashion (if such a thing is possible at all). For example, when Marx begins *Capital* with the remark that the wealth in capitalist societies "appears as an immense collection of commodities" (Marx/Engels 1956-1990/23, 49), he points to the problem I have in mind. On the one hand, "things" are not simply bare "objects" under capitalism; rather, they are encountered as a particular kind of thing, in this case as commodities. By "commodities" we do not simply mean soup cans and pizza boxes; rather, commodities are themselves the expression of social relations, and, as such, in principle, everything can become a commodity under Capitalism. Accordingly, commodities are not ontologically fixed objects, such as trees or art works (which themselves can become commodities); instead, what we mean when we refer to commodities is a form. However, the form under which these things appear as commodities remains hidden and needs exposure (either through a Critique of Political Economy or phenomenology) in order to show that the thing is not an object for perception, and that is schematized as a social relation (i.e., above all in form of money). So, again, encountering "objects" in Capitalism means to encounter them as money, as exchangeable, and so on. This form needs to be conceived as a social and historically specific form (Postone 2009, 315), given that money is simply the determination and the way individuals encounter each other in Capitalism, as well as how they are forced to regulate their becoming social [Vergesellschaftung].

### **Money as independent thing and as social relation**

In contrast to traditional approaches to money, Marx, as we know, argues that money is the necessary condition and result of the exchange process, since otherwise the internal contradictions of the simple value form are unable to be resolved. In brief, money is the result of the universalization of the value form, through which products establish their exchangeability. This value form becomes total when all products can be exchanged with all products. As value cannot be a property of a single commodity, value has a "purely social reality" (Arthur 2005, 114), and all products need to express their value in the same equivalent, which is itself the social relation of all with all. This sameness cannot be reduced to something imagined and subjective; rather, it is posited in and as money. The question of whether money additionally and even necessarily must be subjectively constituted in order to "count" as money leads to a host of difficult philosophical problems, as Marx himself seems to be at least up to the publication of *A Contribution to the Critique of Political Economy* (1859) ambivalent in regard to this problem, especially at the beginning of *Grundrisse* (for example, see Marx/Engels 1956-1990/42, 78-80; also see Reichelt's Hegelian solution to the "subject-object"

problem and his rejection of neo-Kantian conceptions of money in Reichelt 2008, 143-170). In addition, the often debated question of whether the fetishism in all of its forms (commodity, money, capital) is subjective, objective, or both, is ultimately tied to the question of money and cannot fully be resolved in this essay. I need to leave this question for the brevity of this essay open.<sup>1</sup>

In any case though, we need to claim that money (at first) is nothing else than this sameness and universality of equivalency. Without money the value of commodities could not be related to each other in their totality. This general value form begins really existing as the money form through individuals exchanging their products (to which potentially all entities belong) in real exchange acts. Unconsciously and unknowingly, these individuals reproduce the social relation with each exchange act and they establish this as a real abstraction. As money not only functions as a means to make the exchange easier, these individuals establish with every exchange act a relationship with the totality itself and they unknowingly reproduce this totality through each act (see Marx/Engels 1956-1990/13, 18). What remains hidden to these agents is the new relationship between the social totality and themselves, which turns, through the exchange act, into an external relationship. Money, in other words, establishes itself as the synthesis and the thing-itself in all of these exchanges, in as much as it remains untouched, so to speak, from the exchange process itself; moreover, once it takes on the capital form, something paradoxical happens, namely, the faster money goes around, the more independent money itself becomes. We can see here the analogy to the Kantian epistemological problem: as the fleeting reality and the changing sensibility do not allow our reason to establish a stable relationship with the reality/nature, the categorically fixed relation through representation establishes a fixed relation to nature and the thing-itself as independent from the fleeting reality. The “thing” here means thinghood, i.e., what a thing is as a thing. The categorically determined relationship, in other words, makes up thinghood.

Marx transfers this structure of the Kantian First Critique into a materialist framework in which money is determined as thinghood, as it determines the frame under which individuals can establish and refer to entities. As money remains the only independently existing thing in all of these exchanges, it establishes itself as the quasi “transcendental force” (G146; translation altered) behind everything, even if Marx no longer conceives this as a universal structure of reason, but instead as a historically determined social form. It is a “quasi” transcendental form, as it is related to social ontology and, accordingly, remains a social force. The money form is here the general schema that controls and frames all relationships and all object references in a capitalist social totality. As Marx points out, money existed before capitalism, but it did not frame all possible relations. In the Grundrisse, Marx turns the materialistic turn of the epistemological question more visibly into a social framework, writing:

Money thereby directly and simultaneously becomes the real community [Gemeinwesen], since it is the general substance of survival for all, and at the same time the social product of all. But as we have seen, in money the community [Gemeinwesen] is at the same time a mere abstraction, a mere external, accidental thing for the individual, and at the same time merely a means for his satisfaction as an isolated individual. [...] (Marx/Engels 1956-1990/42, 152)

We can see here that next step in Marx’s considerations about money is to reinscribe money as the Kantian (and, if we take the capital form into account, Hegelian) independent thing and universal objecthood into a materialist framework, by showing that money is itself nothing else than a specific form of social relationship, namely, the form under which individuals are socialized and synthesized as social individuals through something [1] external and [2] thinglike, which transforms these relationships into something [3] abstract. As money is the universal and really existing thing that establishes the social totality, it establishes all social relations as well as the relation that individuals have to this totality as an external relation. This Marxian idea is the material translation of the Kantian concept of thinghood, which establishes itself also as independent from the fleeting reality. Already in *The German Ideology*, Marx writes: “With money every form of intercourse, and intercourse itself, is considered fortuitous for the individuals” 130-139. (Marx/Engels 1956-1990/3, 66). What Marx has in mind here by “fortuitous” is that with money the relations, transactions, relationships, contacts, and so on are turning into something separated from those individuals, which then, in turn, determines the form under which individuality appears under Capitalist conditions, namely, as the result of the money form. Money, in other words, remains untouched from the concrete relations and therefore makes up the universal frame through which these relations are formed. The way in which we are individuals under Capitalism, in other words, is the result of the money form; for, on the one hand, we separate ourselves from ourselves in the most extreme way, and, on the other hand, this abstract relation is itself the universal relation. Social relations, hence, are accidental to us. As a consequence, individuals now, as Marx puts it as early as in *The German Ideology*, “become abstract individuals, but who are, however, only by this fact put into a position to enter into relation with one another as individuals” (Marx/Engels 1956-1990/3, 67). As soon as money begins to establish itself as the externally existing placeholder for every entity, money no longer can be conceived as a means for exchange; for, it is the really existing social form of labor and production. Accordingly, money is here no longer a “fixed” entity; instead, we can here see that money is not a thing (paper, symbols, etc.). Indeed, money is a social form that regulates how individuals can be related to each in the first place. As Elbe remarks, money is neither a natural property of things nor a conventional result for making barter exchange easier; rather, money is “expression of a specific form of sociality [Vergesellschaftung] that is mediated by things and outside of the controls of agents” (Elbe 2010, 137; my trans.; also see Harvey 2010, 65). In the first version of *Capital*, the so called “Urtext,” Marx puts it this way:



The individuals confront each other only as proprietors of exchange values, as individuals who have given themselves reified existence [Dasein] for each other through their product, the commodity. Seen from the standpoint of the social exchange under way in circulation, without this objective mediation, they have no relation to each other. They exist for each other only in reified form [sachlich], something that is further developed in the money relation, through which their community itself appears as an external and hence as an accidental thing for all. (Marx/Engels 1980, 53; MECW trans. altered)

On the one hand, the social synthesis, the association of individuals, and the community is established as something that appears as an independent and external thing and therefore as a universal (i.e., thinghood). As abstract universal, however, it appears as accidental to the individuals. Consequently, although the universal relation remains external to the individuals, it nevertheless constitutes their social coherence and their sociality. This sociality, hence, is itself abstract. As a universal (the first level of which is exchange value), however, it can only exist in a really existing form, which is the money form. Money, consequently, changes the whole character and form of how individuals are related to each other under Capitalism, as, on the one hand, the dependency increases, and, on the other hand, this dependency appears as something accidental to the individuals. Marx's dialectical theory of money as a social form, in other words, allows us to conceptually grasp the nature of modern atomism and individualization.

### **Consequences of the foregoing considerations for Critical Theory.**

We should now be able to outline how the philosophical concept of money outlined in this essay allows us to push recent forms of Critical Theory (e.g., Habermas, Honneth) back to Marx, as these authors have given up the idea of integrating their theories of society into a social ontology, which one could interpret as a move to transform philosophical questions (i.e., what constitutes social reality) into sociological questions (i.e., analysis of constituted reality). With Lukács, I believe that such a move is unjustified and should be framed by ontological questions that are related to the social sphere. The "economistic" understanding of categories turns basic social determinations

into empirical phenomena, which should be rejected, as it presupposes and implies a social ontology. Even self-declared Marxists, such as Michael A. Lebowitz, fall into the same trap. In a recent interview, Lebowitz said that the "essence of capitalism" is the exploitative relation between labor and capital.<sup>2</sup> Though it is correct to claim that we find in Capitalism a conflict between laborers and capitalists, this claim does not lead to a philosophical understanding of the categorical framework that makes (as a whole) the division between laborers and capitalists possible. Value in the form of money, interest, state, and so on is the condition of the possibility of the antagonistic and objective positioning of laborers and capitalists. Though these conditions are not independent from social agents, they can also not be reduced to anthropological units. Accordingly, approaching Marx (and money) philosophically means to avoid definitions of any kind. Capitalism is not something that has 'x'-amount of properties; rather, it refers to a system under which every entity that falls under it is determined by capital as what Marx calls "processing money" (Marx/Engels 1956-1990/ 26.3, 134; Marx/Engels 1956-1990/ 23, 170). To be sure, this antipositivistic position should not lead us to its counterpart, which is the speculative thesis that "totality" means the identity of everything with each other, which could be achieved ontologically only if production and consumption are indeed identical. As Lukács points out in his later ontology, the Marxian position is neither positivistic nor speculative:

Marx warns against making the irreducible, dialectical and contradictory unity of society, a unity that emerges as the end product of the interaction of innumerable heterogeneous processes, into an intrinsically homogeneous unity, and impeding adequate knowledge of this unity by inadmissible and simplifying homogenizations of this kind. We may add that whether this homogenization is speculative or positivistic, it amounts to the same thing in this respect. (Lukács 1984, 604; 1978, 60)

The difference between a philosophical and social or positivistic conception of Capitalism is that the latter two do not have a conception of what they try to understand, as a positivistic starting point misses the whole phenomenon that it tries to reconstruct; for it presupposes that Capitalism is "something" that is given independently of the reconstructing method, and that it can therefore be "observed" or analyzed independent from the conception already investigated. This, however, is one of Marx's main critiques of bourgeois economic thought, as these theories start with something that they do not genetically reconstruct and thereby need to posit as something external to its internal development, and, consequently, they do not understand that Capitalism refers to a historic social form rather than something that exists like a "thing." The concept of totality that is implied in the concept of form is also not "totalitarian" or "totalizing," inasmuch as the dialectical concept of totality contains its own negation, i.e., in this case Capitalism already contains its negation. Indeed, "dialectical totality" means that every element of the social reality is mediated with the others, which Marx refers to as an "organic system:

" While in the completed bourgeois system every economic relation presupposes every other in its bourgeois economic form, and everything posited is thus also a presupposition, this is the case with every organic system. (Marx/Engels 1956-1990/42, 203)

As Marx argues in the introduction to the Grundrisse, the reproduction of social reality through labor is only possible if production, consumption, and circulation hang together internally. Social reality, in other words, is not something within which the "spheres" of production, consumption, and circulation are separated from each other, as if they would form three instead of only one social reality; for this is logically impossible. Unfortunately, though, the move from a philosophical conception of social synthesis and social totality (i.e., the constitution of social reality) towards an empirical analysis of constituted reality remains conceptually unsatisfactory. Accordingly, the concept of money, as I have outlined it in this essay, contributes to this framework and explains the unity of this constitution.

1 I would like to thank the reviewer of this essay, David F. Ruccio, for his critical questions, his helpful comments, and requests for revisions; in particular for pointing out the problem of the subjective constitution of money. I admit, it is difficult to argue for an objectivist conception of money, though I try to point out in this essay that we need (at least) to start with such a conception of money.

2 The interview is available online: <URL: <http://mrzine.monthlyreview.org/2013/lebowitz210313.html>>; last accessed: 5/24/2013.

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